

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 3113

February 22, 2012

SUMMARY OF BILL: Requires the Department of Human Services (DHS) to require cashiers at the point of sale to request a photo identification card at any time when an electronic benefit transfer (EBT) card is used to make a purchase. Requires DHS to issue, per request, a photo identification card to each eligible household as proof of eligibility to use the EBT card.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – \$66,900/One-Time

Assumptions:

- According to DHS, two Family Assistance programs utilize EBT as the means for program participants to access their benefits: Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF).
- The requirement to present a photo identification for purchases made with an EBT card conflicts with regulatory requirements for SNAP and could not be enforceable for TANF. The provisions of this bill will not be enforced if they conflict with federal requirements regulating these programs and would place DHS out of compliance with such regulations.
- According to DHS, the United States Department of Agriculture views this requirement as a barrier to participation in the SNAP program. Further, singling out SNAP clients by requiring only them, and not all customers, to provide photo identification at the point of purchase conflicts with federal regulations at 7C.F.R.278.2(b), which state that no retail food store may single out coupon [EBT card] users for special treatment in any way.
- According to DHS, a retailer cannot deny service to, or be held accountable for, an individual who presents an EBT card and also is able to provide the personal identification number associated with that card.
- Pursuant to federal law, SNAP clients would be excluded from the provision requiring DHS to provide each EBT user with a photo identification if they do not already possess one.
- DHS estimates that approximately 1,000 TANF EBT users statewide would potentially require photo IDs. In order to meet this demand, the Department would need to purchase equipment and supplies to issue photo IDs in all 117 state Family Assistance offices. One-time cost associated with this will be \$66,924 [(\$65 camera + \$298 printer with cartridges + \$209 laminator) x 117 offices]. Replenishment of any consumable supplies will be made periodically and will not result in a significant fiscal impact.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise', written in a cursive style.

Lucian D. Geise, Executive Director

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